

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG ELECTRIC LOGS FILE ☒ WATER SANDS LOCATION INSPECTED SUB. REPORT/abd.

980923 Lease # chg fr U-73088, 99/103 LA'D, eff 10-25-99!

DATE FILED JULY 14, 1997

LAND: FEE & PATENTED

STATE LEASE NO.

PUBLIC LEASE NO. ~~U-73088~~

INDIAN

DRILLING APPROVED: AUGUST 26, 1997

U-62848

SPUDDED IN:

COMPLETED:

PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED:

10-25-99 LA'D

FIELD:

MONUMENT BUTTE

UNIT:

COUNTY:

DUCHESNE

WELL NO.

MONUMENT BUTTE FEDERAL 14-27

API NO. 43-013-31920

LOCATION

660 FSL

FT. FROM (N) (S) LINE,

1980 FWL

FT. FROM (E) (W) LINE.

SE SW

1/4 - 1/4 SEC. 27

TWP.

RGE.

SEC.

OPERATOR

TWP.

RGE.

SEC.

OPERATOR

8S

16E

27

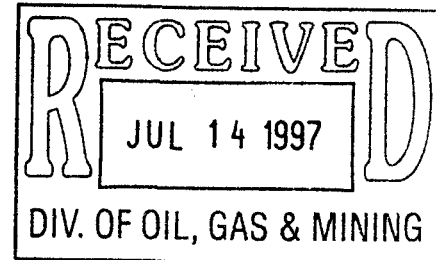
INLAND PRODUCTION



July 11, 1997

Bureau of Land Management
Vernal District Office
170 South 500 East
Vernal, Utah 84078

State of Utah
Division of Oil Gas & Mining
1594 WN Temple Suite 1210
P O Box 145801
Salt Lake City, Utah 84114-5801



ATTENTION: Ed Forsman/Wayne Bankert

RE: Application For Permit To Drill

Gentlemen,

Enclosed are the originals and two copies (each,) of the Application For Permit To Drill for the following locations: Copies will also be submitted to the State of Utah.

**Monument Butte Federal #11-27
NE/SW Sec. 27, T8S, R16E**

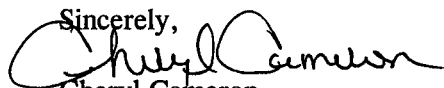
**Monument Butte Federal #12-27
NW/SW Sec. 27, T8S, R16E**

**Monument Butte Federal #14-27
SE/SW Sec. 27, T8S, R16E**

**Tar Sands Federal #6-28
SE/NW Sec. 28, T8S, R17E**

**Tar Sands Federal #8-29
SE/NE Sec. 29, T8S, R17E**

Please contact me in the Vernal Branch office (801) 789-1866 if you have any questions, or need additional information.

Sincerely,

Cheryl Cameron
Regulatory Compliance Specialist

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-73088	
1b. TYPE OF WELL OIL <input type="checkbox"/> GAS <input type="checkbox"/> SINGLE <input type="checkbox"/> MULTIPLE <input type="checkbox"/> WELL <input checked="" type="checkbox"/> WELL <input type="checkbox"/> OTHER <input type="checkbox"/> ZONE <input type="checkbox"/> ZONE <input type="checkbox"/>		6. IF INDIAN, ALOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Inland Production Company		7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR P.O. Box 790233 Vernal, UT 84079 Phone: (801) 789-1866		8. FARM OR LEASE NAME Monument Butte Federal	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At Surface SE/SW 701 603 At proposed Prod. Zone 660' FSL & 1980' FWL		9. WELL NO. #14-27	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 11 Miles southwest of Myton, Utah		10. FIELD AND POOL OR WILDCAT Monument Butte	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 27, T8S, R16E	
16. NO. OF ACRES IN LEASE 1198.94		12. County Duchesne	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		13. STATE UT	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. 1317'		19. PROPOSED DEPTH 6500'	
20. ROTARY OR CABLE TOOLS Rotary		21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5591.1' GR	
22. APPROX. DATE WORK WILL START*			

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	300'	120 sx
7 7/8"	5 1/2"	15.5#	TD	400 sx followed by 330 sx
				See Detail Below

The actual cement volumes will be calculated off of the open hole logs, plus 15% excess.

SURFACE PIPE - Premium Plus Cement, w/ 2% Gel, 2% CaCl₂, 1/4# /sk Flocele

Weight: 14.8 PPG YIELD: 1.37 Cu Ft/sk H₂O Req: 6.4 Gal/sk

LONG STRING - Lead: Hibond 65 Modified

Weight: 11.0 PPG YIELD: 3.00 Cu Ft/sk H₂O Req: 18.08 Gal/sk

Tail: Premium Plus Thixotropic

Weight: 14.2 PPG YIELD: 1.59 Cu Ft/sk H₂O Req: 7.88 Gal/sk

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM : If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone.

If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Brad Mechem TITLE District Manager DATE 7/2/97
Brad Mechem

(This space for Federal or State office use)

PERMIT NO. 43-013-31920 APPROVAL DATE

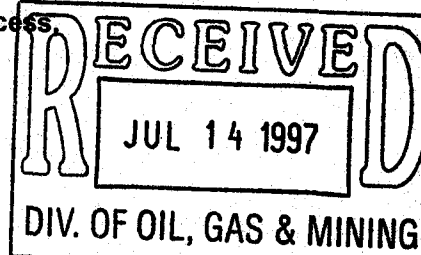
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY John R. Baya TITLE Associate Director DATE 8/26/97

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



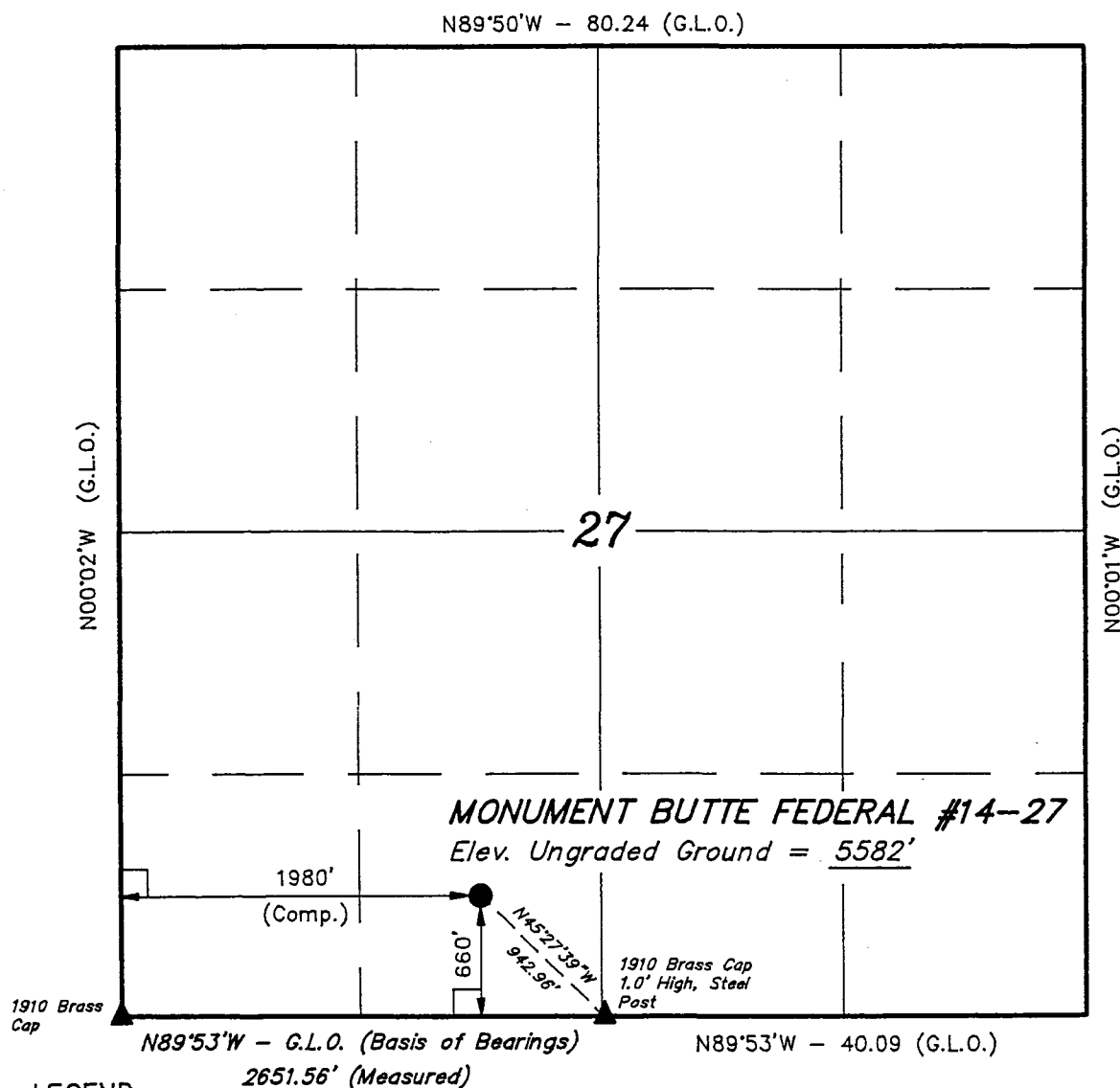
T8S, R16E, S.L.B.&M.

INLAND PRODUCTION CO.

Well location, MONUMENT BUTTE FEDERAL #14-27, located as shown in the SE 1/4 SW 1/4 of Section 27, T8S, R16E, S.L.B.&M. Duchesne County, Utah.

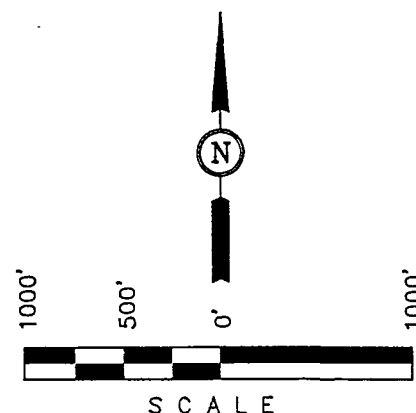
BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 27, T8S, R16E, S.L.B.&M. TAKEN FROM THE MYTON SE QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5619 FEET.



LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

U.S. No. 161319
J. F. C. B. T.
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 6-7-97	DATE DRAWN: 6-15-97
PARTY J.F. C.B. C.B.T.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE INLAND PRODUCTION CO.	

**INLAND PRODUCTION COMPANY
MONUMENT BUTTE FEDERAL #14-27
SE/SW SECTION 27, T8S, R16E
DUCHESNE COUNTY, UTAH**

TEN POINT WELL PROGRAM

1. GEOLOGIC SURFACE FORMATION:

Uinta formation of Upper Eocene Age

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

Uinta	0' - 3050'
Green River	3050'
Wasatch	6500'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS:

Green River Formation 3050' - 6500' - Oil

4. PROPOSED CASING PROGRAM

8 5/8", J-55, 24# w/ ST&C collars; set at 300' (New)
5 1/2", J-55, 15.5# w/ LT&C collars; set at TD (New)

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

The operators minimum specifications for pressure control equipment are as follows:

A 8" Series 900 Annular Bag type BOP and a 8" Double Ram Hydraulic unit with a closing unit will be utilized. Function test of BOPS's will be checked daily.

(See Exhibit F)

6. TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATION MUDS:

The well will be drilled with fresh water through the Uinta Formation. From the top of the Green River Formation @ 3050' \pm , to TD, a fresh water/polymer system will be utilized. If necessary to control formation fluids, the system will be weighted with the addition of bentonite gel, and if conditions warrant, barite. Clay inhibition will be achieved with additions or by adding DAP (Di-Ammonium Phosphate, commonly known as fertilizer). This fresh water system will contain Total Dissolved Solids (TDS) of less than 3000 PPM. Neither potassium chloride or chromate's will be utilized in the fluid system. The anticipated mud weight is 8.4 ppg and weighted as necessary for gas control.

7. **AUXILIARY SAFETY EQUIPMENT TO BE USED:**

Auxiliary safety equipment will be a Kelly Cock, bit float, and a TIW valve with drill pipe threads.

8. **TESTING, LOGGING AND CORING PROGRAMS:**

No drill stem testing has been scheduled for this well. It is anticipated at this time that the logging will consist of a Dual Induction Laterolog, Gamma Ray/Caliber from TD to base of surface casing @ 300' \pm , and a Compensated Neutron-Formation Density Log. Logs will run from TD to 3500' \pm . The cement bond log will be run from PBTD to cement top. An automated mud logging system will be utilized while drilling to monitor and record penetration rate, and relative gas concentration, in the fluid system.

9. **ANTICIPATED ABNORMAL PRESSURE OR TEMPERATURE:**

The anticipated bottom hole pressure is 1800 psi. It is not anticipated that abnormal temperatures will be encountered; nor that any other abnormal hazards such as H₂S will be encountered in this area.

10. **ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS:**

It is anticipated that the drilling operations will commence in fourth quarter of 1997, and take approximately six days to drill.

**INLAND PRODUCTION COMPANY
MONUMENT BUTTE FEDERAL #14-27
SE/SW SECTION 27, T8S, R16E
DUCHESNE COUNTY, UTAH**

THIRTEEN POINT WELL PROGRAM

1. EXISTING ROADS

See attached Topographic Map "A"

To reach Inland Production Company well location site Monument Butte Federal #14-27 located in the SE ¼ SW ¼ Section 27, T8S, R16E, S.L.B. & M. Duchesne County, Utah:

Proceed westerly out of Myton, Utah along Highway 40 - 1.5 miles ± to the junction of this highway and Utah State Highway 53; proceed southerly along Utah State Highway 53 - 6.3 miles to its junction with an existing dirt road to the southwest; proceed southwesterly along this road - 3.2 miles to its intersection to the Monument Butte Federal 3-34 location. Proceed northwesterly approximately 0.3 miles to the beginning of the proposed access road for the 14-27, to be discussed in Item #2.

The highways mentioned in the foregoing paragraph are bituminous surfaced roads to the point where Highway 216 exists to the South, thereafter the roads are constructed with existing materials and gravel. The highways are maintained by Utah State road crews. All other roads are maintained by County Crews.

The aforementioned dirt oil field service roads and other roads in the vicinity are constructed out of existing native materials that are prevalent to the existing area they are located in and range from clays to a sandy-clay shale material.

The roads required for access during the drilling, completion and production phase will be maintained at the standards required by the BLM or other controlling agencies. This maintenance will consist of some minor grader work for smoothing road surfaces and for snow removal.

2. PLANNED ACCESS ROAD

See Topographic Map "B".

The planned access road leaves the existing location described in Item #1 in the NE ¼ NW ¼ Section 34, T8S, R16E, S.L.B. & M., and proceeds in a northeasterly direction approximately 0.2 miles ±, to the proposed location site.

The proposed access road will be an 18' crown road (9' either side of the centerline) with drainage ditches along either side of the proposed road whether it is determined necessary in order to handle any run-off from normal meteorological conditions that are prevalent to this area. The maximum grade will be less than 8%.

MONUMENT BUTTE FEDERAL #14-27

There will be no culverts required along this access road. There will be barrow ditches and turnouts as needed along this road.

There are no fences encountered along this proposed road. There will be no new gates or cattle guards required.

All construction material for this access road will be borrowed material accumulated during construction of the access road.

3. LOCATION OF EXISTING WELLS

There are fourteen (14) producing, six (6) water injection, and one (1) P&A Inland Production wells, and one (1) producing Dalon well, and one (1) producing unknown well, within a one (1) mile radius of this location. See Exhibit "D".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

There are no existing facilities that will be used by this well.

It is anticipated that this well will be a producing oil well.

Upon construction of a tank battery the well pad will be surrounded by a dike of sufficient capacity to contain at minimum the entire contents of the largest tank within the facility battery.

Tank batteries will be built to BLM specifications.

All permanent (on site for six (6) months or longer) structures, constructed or installed (including pumping units), will be painted Desert Tan. All facilities will be painted within six months of installation.

5. LOCATION AND TYPE OF WATER SUPPLY

Inland Production Company has purchased a 3" water connection with Johnson Water District to supply the Monument Butte, Travis, and Gilsonite oil fields. Johnson Water District has given permission to Inland Production Company to use water from this system, for the purpose of drilling and completing the Monument Butte Federal #14-27. A temporary line may be used for water transportation from our existing supply line, from Johnson Water District (See Exhibit "G"), or trucked from Inland Production Company's water supply line located at the Gilsonite State #7-32 (SW/NE Sec. 32, T8S, R17E), or the Monument Butte Federal #5-35 (SW/NW Sec. 35, T8S, R16E), or the Travis Federal #15-28 (SW/SE Sec. 28, T8S, R16E). See Exhibit "C".

There will be no water well drilled at this site.

6. SOURCE OF CONSTRUCTION MATERIALS

See Location Layout Sheet - Exhibit "E".

All construction material for this location shall be borrowed material accumulated during construction of the location site and access road.

A mineral material application is not required for this location.

7. **METHODS FOR HANDLING WASTE DISPOSAL**

See Location Layout Sheet - Exhibit "E".

A small reserve pit (80 X 40 X 8' deep, or less) will be constructed from native soil and clay materials. A water processing unit will be employed to continuously recycle the drilling fluid as it is used, returning the fluid component to the drilling rig's steel tanks. The reserve pit will primarily receive the processed drill cuttings (wet sand, shale & rock) removed from the well bore. Any drilling fluids which do accumulate in the pit as a result of shale-shaker carryover, cleaning of the sand trap, etc., will be promptly reclaimed by the water recycling unit and then returned to the steel rig tanks. All drilling fluids will be fresh water based containing DAP (Di-Ammonium Phosphate, commonly known as fertilizer), typically containing Total Dissolved Solids of less than 3000 PPM. No potassium chloride chromate's, trash, debris, nor any other substance deemed hazardous will be placed in this pit. Therefore, it is proposed that no synthetic liner be utilized in the reserve pit.

All completion fluids, frac gels, etc., will be contained in steel tanks and hauled away to approved commercial disposal, as necessary.

A portable toilet will be provided for human waste.

A trash basket will be provided for garbage (trash) and hauled away to an approved disposal site at the completion of the drilling activities.

Immediately upon first production, all produced water will be confined in storage tanks. Inland requests temporary approval to transfer the produced water to Inland's nearby waterflood, for re-injection into the waterflood reservoirs via existing approved injection wells. Within 90 days of first production, a water analysis will be submitted to the Authorized Officer, along with an application for approval of this, as a permanent disposal method.

8. **ANCILLARY FACILITIES**

There are no ancillary facilities planned for at the present time and none foreseen in the near future.

9. **WELL SITE LAYOUT**

See attached Location Layout Sheet - Exhibit "E".

The reserve pit will be located on the north between stakes 4 & 5.

The stockpiled topsoil (first six (6) inches) will be stored on the east between stakes 7 & 8.

Access to the well pad will be from the west between stakes 2 & 3.

Fencing Requirements

All pits will be fenced according to the following minimum standards:

- a) A 39 inch net wire shall be used with at least one strand of barbed wire on top of the net.
- b) The net wire shall be no more than two (2) inches above the ground. The barbed wire shall be three (3) inches above the net wire. Total height of the fence shall be at least forty-two (42) inches.
- c) Corner posts shall be cemented and/or braced in such a manner to keep tight at all times.
- d) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than sixteen (16) feet.
- e) All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

The reserve pit fencing will be on three (3) sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

10. PLANS FOR RESTORATION OF SURFACE

a) ***Producing Location***

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, material, trash and junk not required for production.

The reserve pit and that portion of the location not needed for production facilities/ operations will be re contoured to the approximated natural contours. The reserve pit will be reclaimed within one hundred twenty (120) days from the date of well completion . Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed.

When the drilling and completion phase ends, reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer. The seed mixture will be per B.L.M. and stated in the conditions of approval.

b) ***Dry Hole Abandoned Location***

At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and the B.L.M. will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP - Bureau Of Land Management

12. **OTHER ADDITIONAL INFORMATION**

- a) Inland Production Company is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, Inland is to immediately stop work that might further disturb such materials, and contact the Authorized Officer.
- b) Inland Production will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. On B.L.M. administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other possible hazardous chemicals.
- c) Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without B.L.M. authorization. However, if B.L.M. authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities.

The Archaeological Cultural Resource Survey Report will be submitted, as soon as it becomes available.

Inland Production Company requests that a pipeline ROW be granted to the Monument Butte Federal #14-27 from the Monument Butte Federal #15-27 proposed location (approximately 1200'), for a 3" poly fuel gas line and a 4" poly gas gathering line. Both lines will be run on surface, adjacent to road-way. A temporary line may be used from Johnson Water District to provide water for drilling and completion. See Exhibit "G".

Additional Surface Stipulations

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws and regulations. Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. Inland Production is fully responsible for the actions of its subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

Hazardous Material Declaration

Inland Production Company guarantees that during the drilling and completion of the Monument Butte Federal #14-27 we will not use, produce, store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Superfund Amendments and Reauthorization Act (SARA) of 1986. Inland also guarantees that during the drilling and completion of the Monument Butte Federal #14-27 we will use, produce, store, transport or dispose less than the threshold planning quantity (T.P.Q.) of any extremely hazardous substances as defined in 40 CFR 355.

A complete copy of the approved APD, if applicable, shall be on location during the construction of the location and drilling activities.

Inland Production Company or a contractor employed by Inland Production shall contact the B.L.M. office at (801) 789-1362, 48 hours prior to construction activities.

The B.L.M. office shall be notified upon site completion prior to moving on the drilling rig.

MONUMENT BUTTE FEDERAL #14-27

13. LESSEE'S OR OPERATORS REPRESENTATIVE AND CERTIFICATION

Representative

Name: Brad Mecham
Address: P.O. Box 1446 Roosevelt, Utah 84066
Telephone: (801) 722-5103

Certification

Please be advised that INLAND PRODUCTION COMPANY is considered to be the operator of Well #14-27 SE/SW Section 27, Township 8S, Range 16E: Lease #U-62848 Duchesne County, Utah: and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Hartford Accident #4488944.

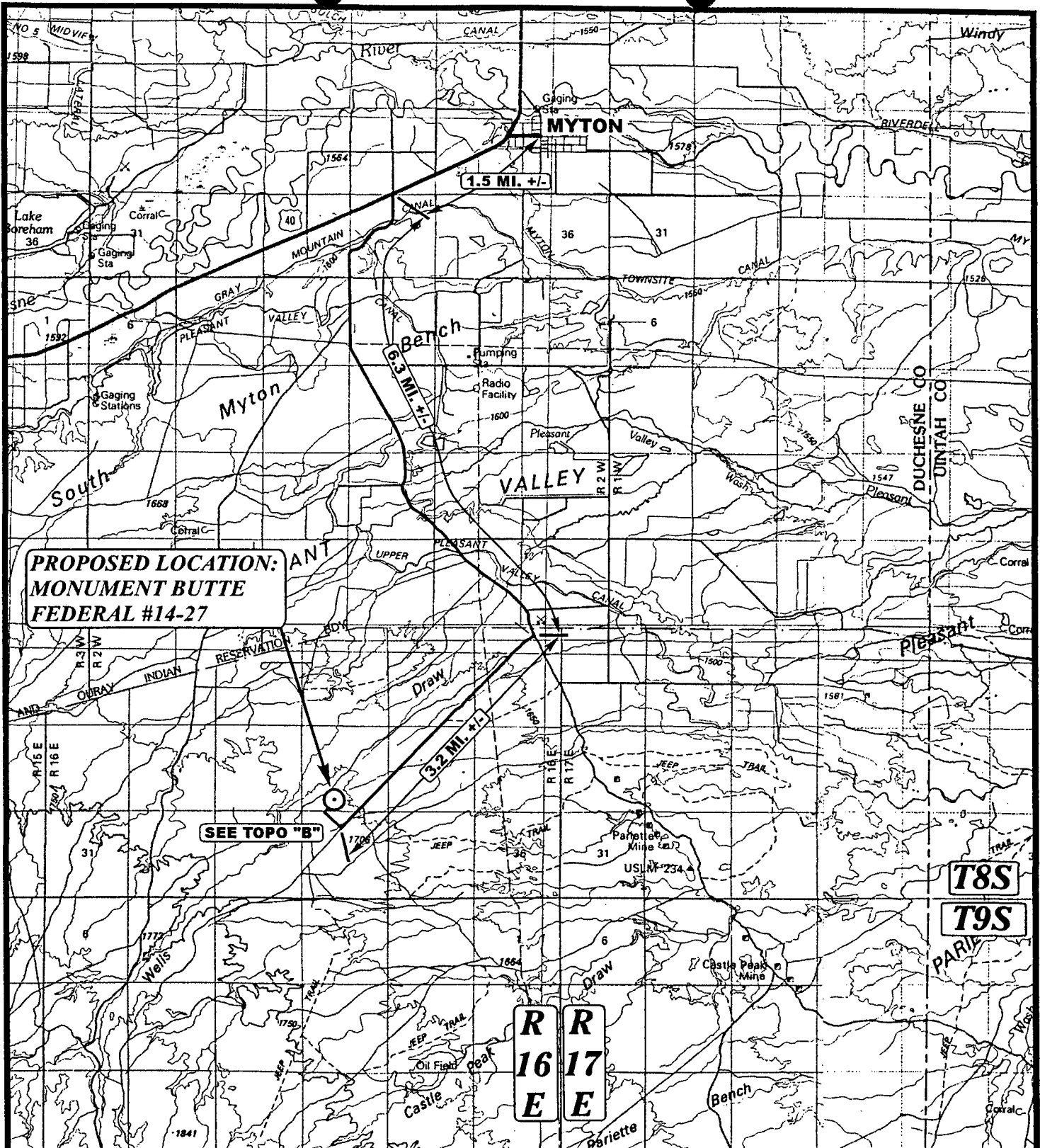
I hereby certify that I, or persons under my direct supervision have inspected the proposed drillsite and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Inland Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

7-9-97

Date



Brad Mecham
District Manager



LEGEND:

○ PROPOSED LOCATION

INLAND PRODUCTION CO.

MONUMENT BUTTE FEDERAL #14-27
SECTION 27, T8S, R16E, S.L.B.&M.
660' FSL 1980' FWL



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(801) 789-1017 * FAX (801) 789-1018
Email: uels@easilink.com

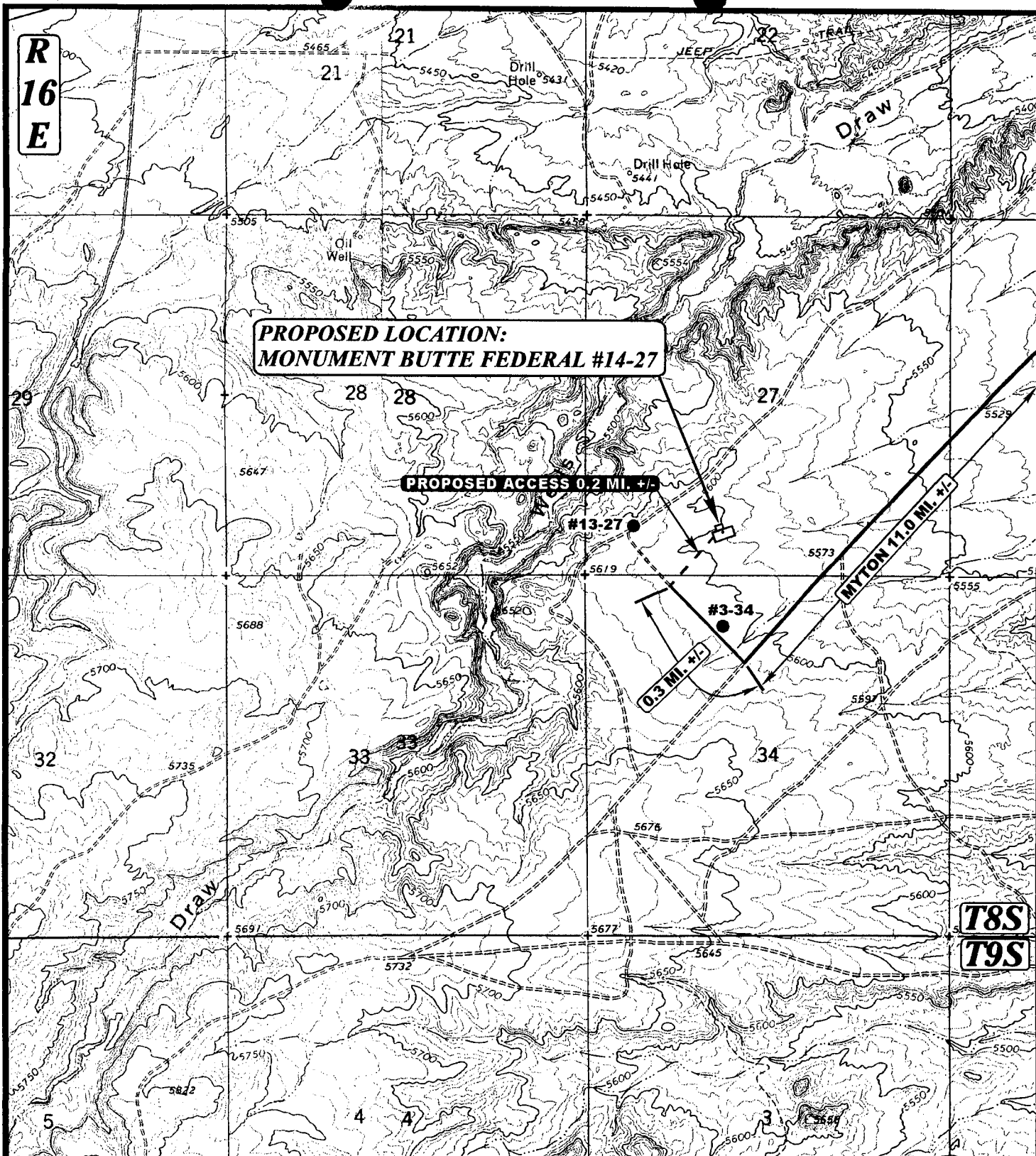


TOPOGRAPHIC
MAP

6 11 97
MONTH DAY YEAR

SCALE: 1 : 100,000 DRAWN BY: D.COX REVISED: 00-00-00





LEGEND:

- - - - - PROPOSED ACCESS ROAD
 ————— EXISTING ROAD



INLAND PRODUCTION CO.

MONUMENT BUTTE FEDERAL #14-27
 SECTION 27, T8S, R16E, S.L.B.&M.
 660' FSL 1980' FWL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (801) 789-1017 * FAX (801) 789-1018
 Email: uels@easlink.com

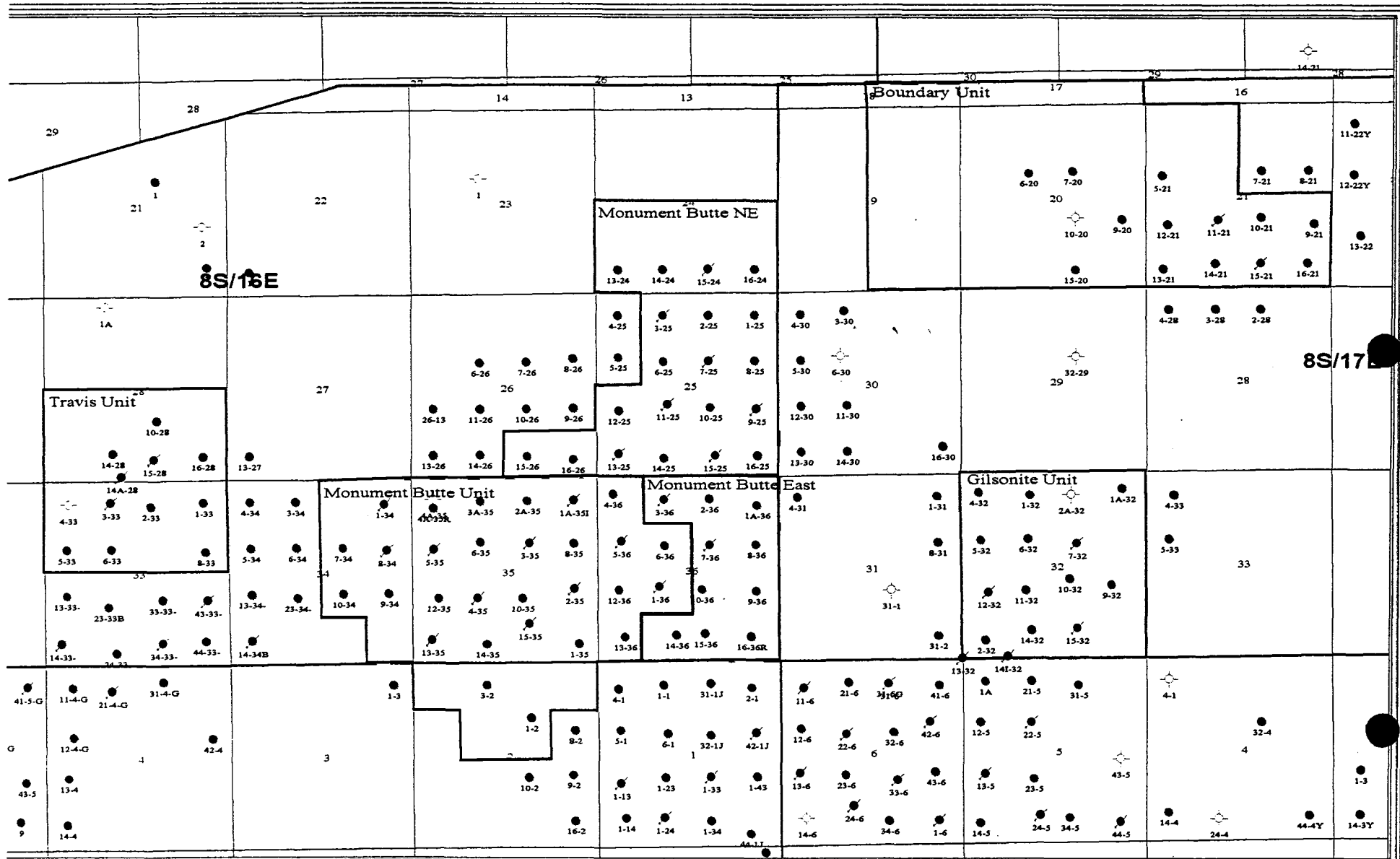
TOPOGRAPHIC
 MAP

6 11 97
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: D.COX REVISED: 00-00-00



EXHIBIT "C"



Inland
Resources Inc.

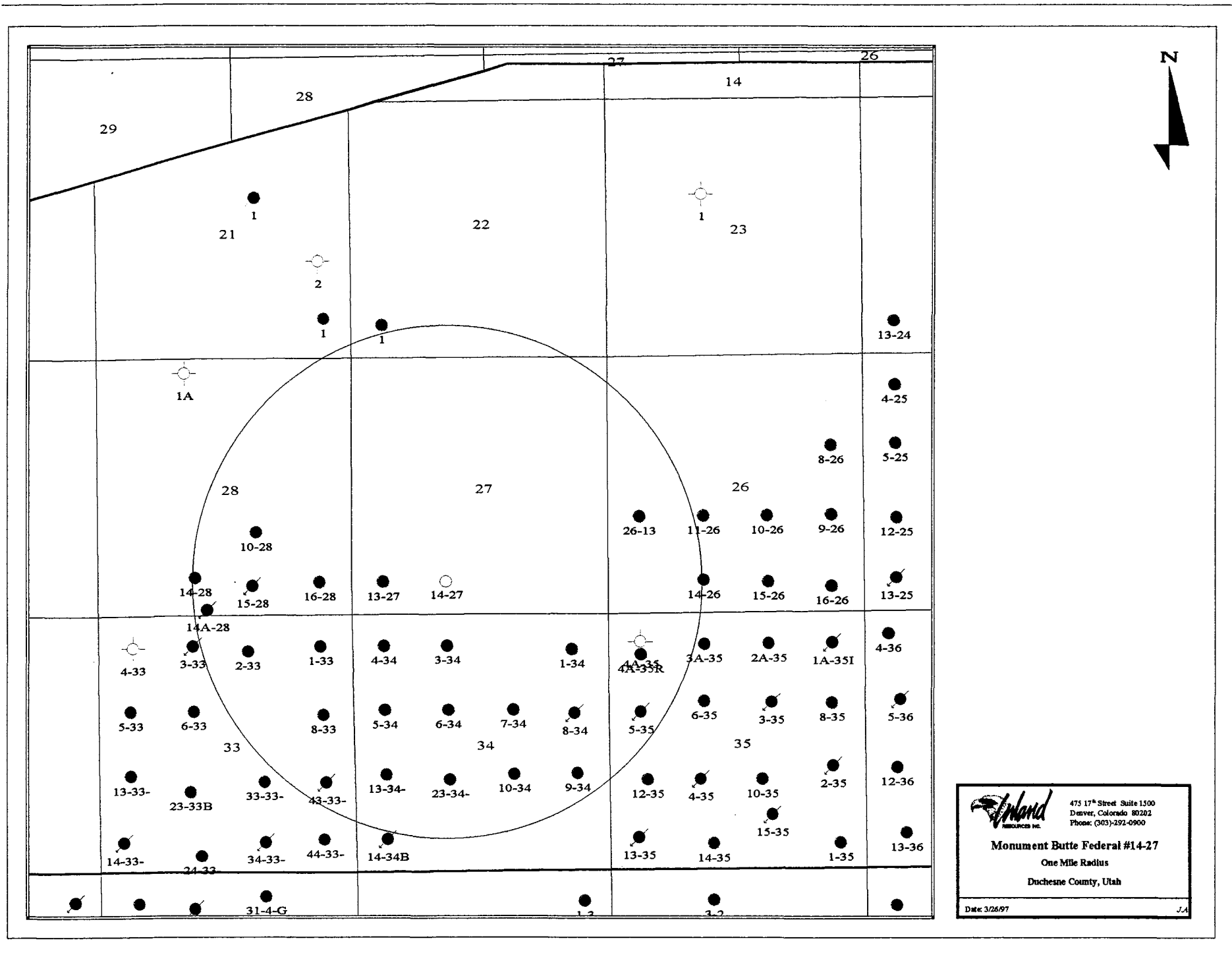
475 17th Street, Suite 1500
Denver, Colorado 80202
Phone: (303) 282-0900

Regional Area

Duchene County, Utah

Date: 4/18/97 J.A.

EXHIBIT "D"



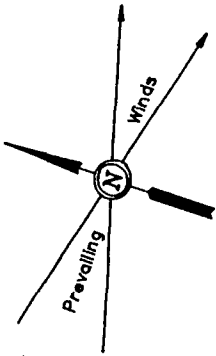
INLAND PRODUCTION CO.

LOCATION LAYOUT FOR

MONUMENT BUTTE FEDERAL #14-27

SECTION 27, T8S, R16E, S.L.B.&M.

660' FSL 1980' FWL



SCALE: 1" = 50'
DATE: 6-15-97
Drawn By: C.B.T.

F-0.4'
El. 90.7'

F-0.9'
El. 90.2'

F-3.1'
El. 88.0'

Sta. 2+90

APPROX.
TOE OF
FILL SLOPE

Sta. 1+45

El. 89.8'
F-1.3'

Sta. 0+83

Sta. 0+00

NOTE:
PIT CAPACITY
WITH 2' OF
FREEBOARD
= 1,950 Bbls.

El. 93.5'
C-10.4'
(Btm. Pit)

El. 92.4'
C-1.3'

El. 94.4'
C-11.3'
(Btm. Pit)

El. 93.5'
C-2.4'

APPROX.
TOP OF
CUT SLOPE

El. 94.8'
C-3.7'

C-2.8'
El. 93.9'

El. 91.2'
C-0.1'

Proposed Access
Road

Elev. Ungraded Ground at Location Stake = 5591.7'
Elev. Graded Ground at Location Stake = 5591.1'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

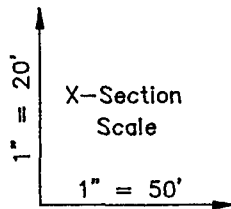
INLAND PRODUCTION CO.

TYPICAL CROSS SECTIONS FOR

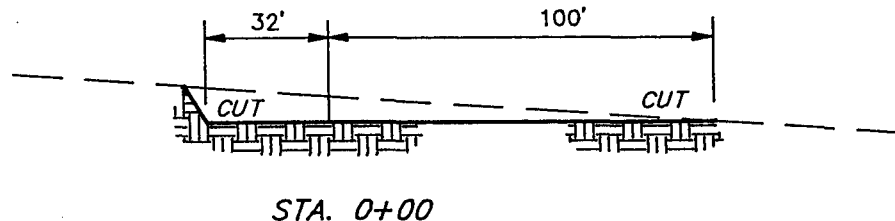
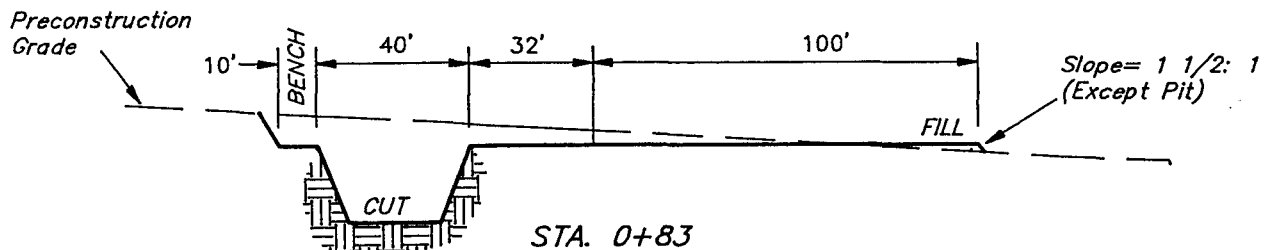
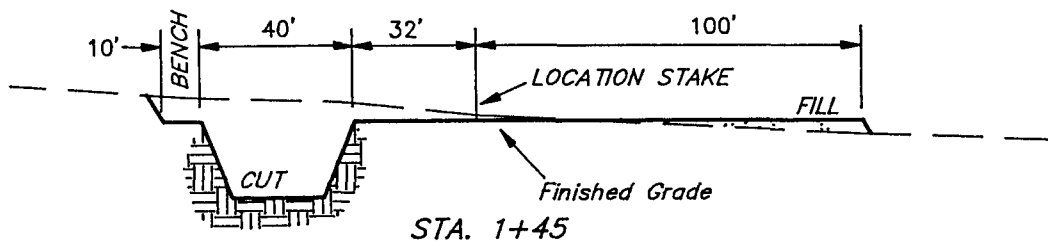
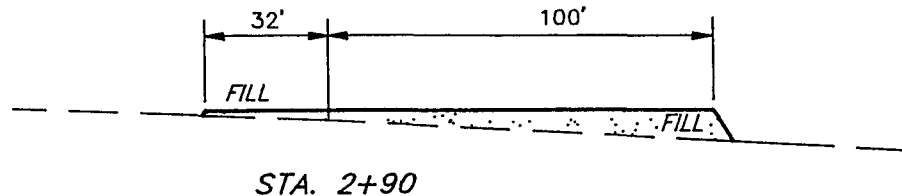
MONUMENT BUTTE FEDERAL #14-27

SECTION 27, T8S, R16E, S.L.B.&M.

660' FSL 1980' FWL



DATE: 6-15-97
Drawn By: C.B.T.



NOTE:

Topsoil should not be
Stripped Below Finished
Grade on Substructure Area.

APPROXIMATE YARDAGES

CUT

(6") Topsoil Stripping = 780 Cu. Yds.

Remaining Location = 1,590 Cu. Yds.

TOTAL CUT = 2,370 CU.YDS.

FILL = 1,220 CU.YDS.

EXCESS MATERIAL AFTER
5% COMPACTION

= 1,090 Cu. Yds.

Topsoil & Pit Backfill
(1/2 Pit Vol.)

= 1,090 Cu. Yds.

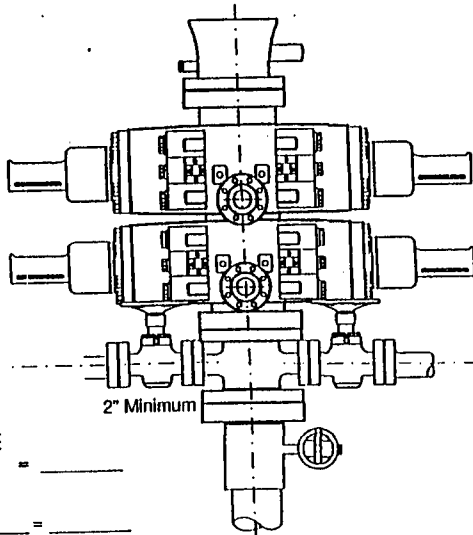
EXCESS MATERIAL After
Reserve Pit is Backfilled &
Topsoil is Re-distributed

= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

2-M SYSTEM

RAM TYPE B.O.P.
 Make:
 Size:
 Model:



2" Minimum

GAL TO CLOSE

Annular BOP = _____

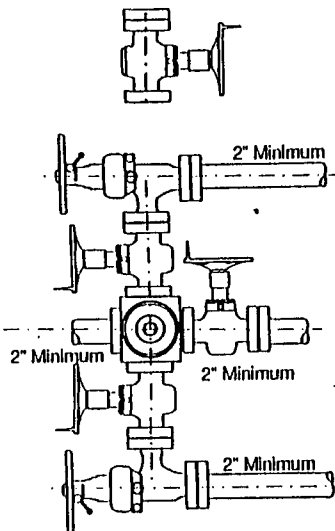
Ramtype BOP

____ Rams x _____ = _____

= _____ Gal.

_____ x 2 = _____ Total Gal.

Rounding off to the next higher
 increment of 10 gal. would require
 _____ Gal. (total fluid & nitro volume)

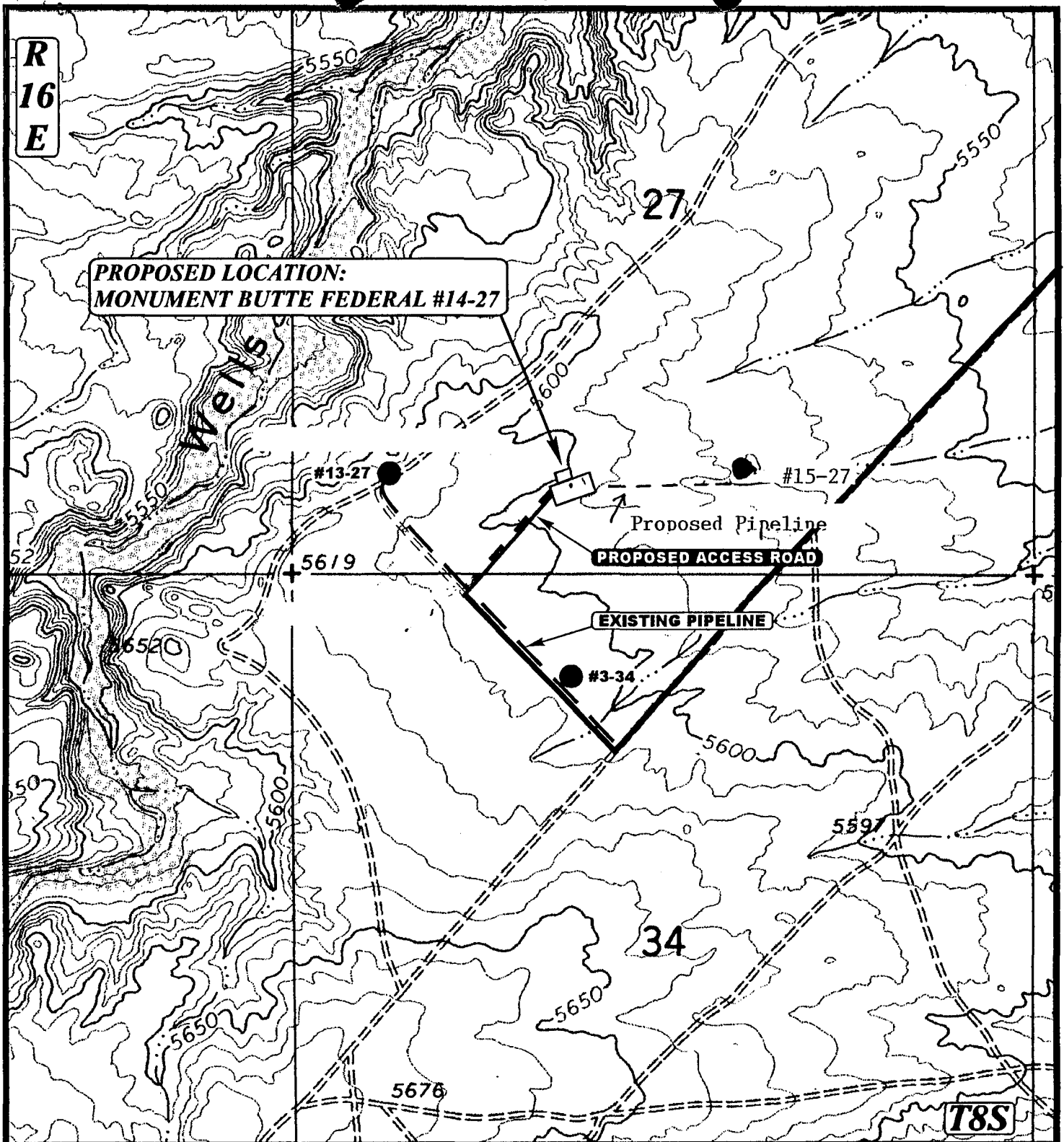


2" Minimum

2" Minimum

2" Minimum

2" Minimum



APPROXIMATE TOTAL PIPELINE DISTANCE = 900' +/-

LEGEND:

- — — — — EXISTING PIPELINE
- - - - - PROPOSED PIPELINE
- — — — — PROPOSED ACCESS



INLAND PRODUCTION CO.

MONUMENT BUTTE FEDERAL #14-27

SECTION 27, T8S, R16E, S.L.B.&M.

660' FSL 1980' FWL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (801) 789-1017 * FAX (801) 789-1018
 Email: uels@eastlink.com

**TOPOGRAPHIC
MAP**

6 11 97
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: D.COX REVISED: 00-00-00



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 07/14/97

API NO. ASSIGNED: 43-013-31920

WELL NAME: MONUMENT BUTTE FEDERAL 14-27
OPERATOR: INLAND PRODUCTION COMPANY (N5160)

PROPOSED LOCATION:

SESW 27 - T08S - R16E
SURFACE: 0660-FSL-1980-FWL
BOTTOM: 0660-FSL-1980-FWL
DUCHESNE COUNTY
MONUMENT BUTTE FIELD (105)

LEASE TYPE: FED
LEASE NUMBER: U - 73088

PROPOSED PRODUCING FORMATION: GRRV

INSPECT LOCATION BY: / /		
TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Federal [☒ State[] Fee[]
(Number 4488944)
☒ Potash (Y/N)
☒ Oil shale (Y/N)
☒ Water permit
(Number GILSONITE STATE 7-32)
☒ RDCC Review (Y/N)
(Date: _____)

LOCATION AND SITING:

____ R649-2-3. Unit: _____
☒ R649-3-2. General.
____ R649-3-3. Exception.
____ Drilling Unit.
____ Board Cause no: _____
____ Date: _____

COMMENTS: _____

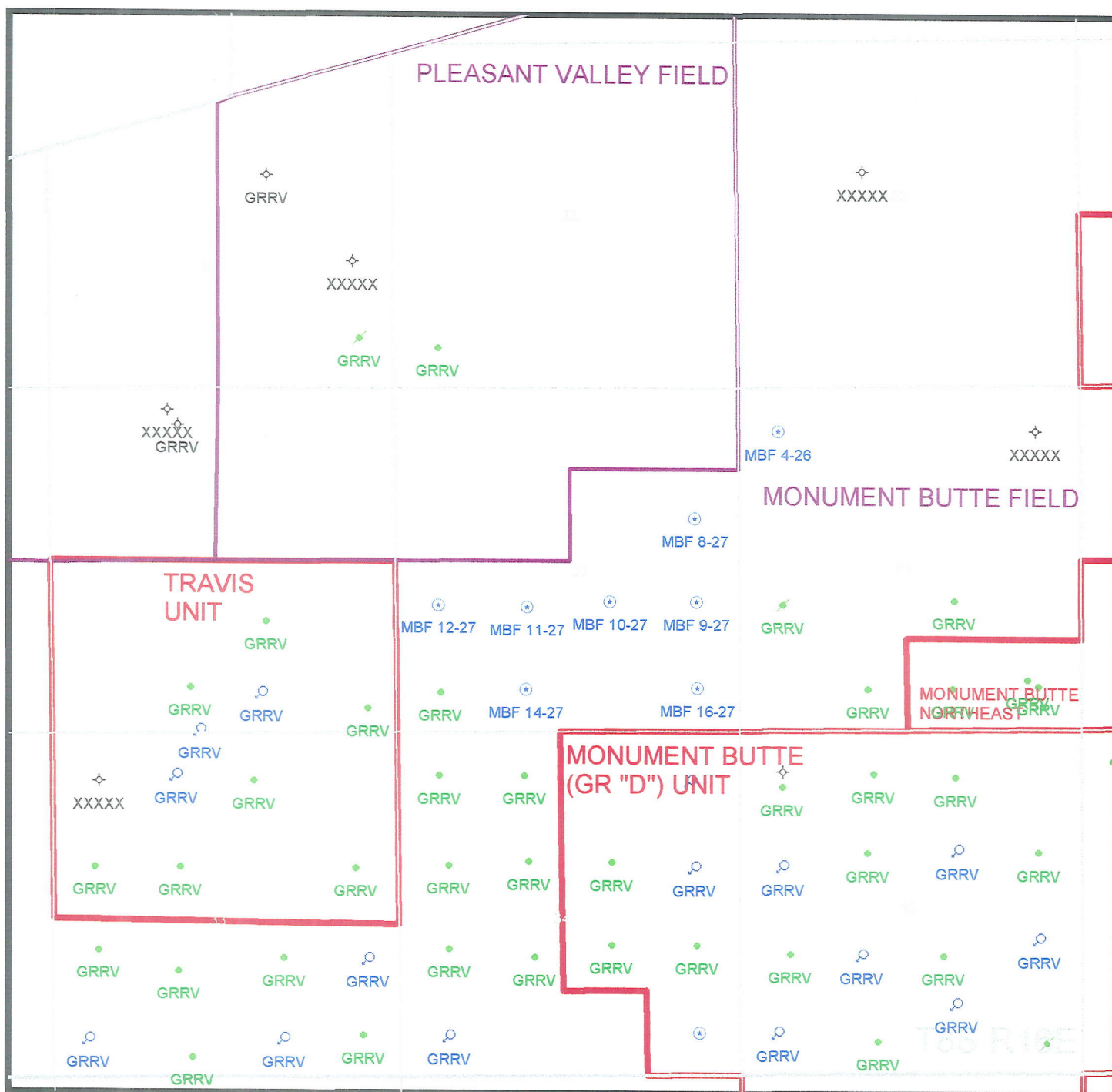
STIPULATIONS: _____

OPERATOR: INLAND PRODUCTION (N5160)

FIELD: MONUMENT BUTTE (105)

SEC, TWP, RNG: SEC. 27, T8S, R16E

COUNTY: DUCHESNE □ UAC: R649-3-2



PREPARED:
DATE: 15-JULY-97

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK **DRILL** ☒ **DEEPEN** ☐

1b. TYPE OF WELL
OIL ☐ GAS ☐ SINGLE ☐ MULTIPLE ☐
WELL ☒ WELL ☐ OTHER ☐ ZONE ☐ ZONE ☐

2. NAME OF OPERATOR
Inland Production Company

3. ADDRESS OF OPERATOR
P.O. Box 790233 Vernal, UT 84079 Phone: **(801) 789-1866**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements*)
At Surface **SE/SW**
At proposed Prod. Zone **660' FSL & 1980' FWL**

5. LEASE DESIGNATION AND SERIAL NO.
U-73088 62848

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Monument Butte Federal

9. WELL NO.
#14-27

10. FIELD AND POOL OR WILDCAT
Monument Butte

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA
Sec. 27, T8S, R16E

12. County
Duchesne

13. STATE
UT

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
11 Miles southwest of Myton, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
660'

16. NO. OF ACRES IN LEASE
1193.94

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.
1317'

19. PROPOSED DEPTH
6500'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
5591.1' GR

22. APPROX. DATE WORK WILL START*

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	300'	120 sx
7 7/8"	5 1/2"	15.5#	TD	400 sx followed by 330 sx
				See Detail Below

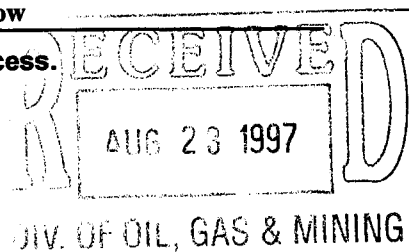
The actual cement volumes will be calculated off of the open hole logs, plus 15% excess.

SURFACE PIPE - Premium Plus Cement, w/ 2% Gel, 2% CaCl₂, 1/4# /sk FloceleWeight: 14.8 PPG YIELD: 1.37 Cu Ft/sk H₂O Req: 6.4 Gal/sk

LONG STRING - Lead: Hibond 65 Modified

Weight: 11.0 PPG YIELD: 3.00 Cu Ft/sk H₂O Req: 18.08 Gal/sk

Tail: Premium Plus Thixotropic

Weight: 14.2 PPG YIELD: 1.59 Cu Ft/sk H₂O Req: 7.88 Gal/sk

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM : If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone.

If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Brad Mecham TITLE District Manager DATE 7/2/97

(This space for Federal or State office use)

PERMIT NO. **NOTICE OF APPROVAL** APPROVAL DATE **CONDITIONS OF APPROVAL ATTACHED**

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

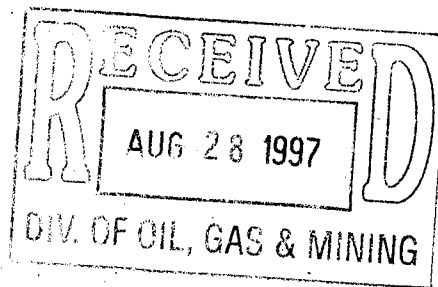
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Assistant Field Manager TITLE Mineral Resources DATE AUG 26 1997

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL



Company/Operator: Inland Production Company

Well Name & Number: Monument Butte Federal 14-27

API Number: 43-013-31920

Lease Number: U -62848

Location: SESW Sec. 27 T. 8S R. 16E

NOTIFICATION REQUIREMENTS

- | | | |
|---------------------------------|---|---|
| Location Construction | - | at least forty-eight (48) hours prior to construction of location and access roads. |
| Location Completion | - | prior to moving on the drilling rig. |
| Spud Notice | - | at least twenty-four (24) hours prior to spudding the well. |
| Casing String and Cementing | - | at least twenty-four (24) hours prior to running casing and cementing all casing strings. |
| BOP and Related Equipment Tests | - | at least twenty-four (24) hours prior to initiating pressure tests. |
| First Production Notice | - | within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days. |

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **2M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

As a minimum, the usable water shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the base of the usable water, identified at 320 ft. or by setting surface casing to 350 ft. and having a cement for the production casing at least 200 ft. above the shallowest potential productive zone. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to the top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the appropriate District Office within thirty (30) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted on initial meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman (801) 789-7077
Petroleum Engineer

Wayne P. Bankert (801) 789-4170
Petroleum Engineer

Jerry Kenczka (801) 781-1190
Petroleum Engineer

BLM FAX Machine (801) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

SURFACE USE PROGRAM

Location Reclamation

The reserve pit and those portions of the location not needed for production facilities and/or operations shall be reclaimed and recontoured in accordance with the APD.

Stockpiled topsoil shall then be spread over the rehabilitated areas to approximate the original topsoil thickness.

Immediately after spreading, the rehabilitated areas and the remaining topsoil stockpile shall be seeded by drilling with the following seed mixture:

Neddele and Thread	Stipa comata	3 lbs/acre
Shadscale	Atriplex confertifolia	3 lbs/acre
Fourwing saltbush	Atriplex canescens	4 lbs/acre
Galleta	Haliaria jamesii	2 lbs/acre

If the seed mixture is to be aerially broadcasted, the pounds per acre shall be doubled. All seed poundage are in Pure Live Seed.

Upon final abandonment if additional recontouring is needed for these areas, the topsoil shall be removed prior to the final recontouring.

Recontour all disturbed areas to blend in appearance with the surrounding terrain.

All topsoil shall be spread over the recontoured surface.

Raptor Habitat

If this is a producing well the operator is required to install a hospital type muffler or a multicylinder engine to the pumping unit to limit noise impacts to nesting raptor species.

MOUNTAIN PLOVERS

According to the timeframes listed on the following chart and prior to new construction and drilling activities, a detailed survey of the area within 0.5 mile of a proposed location and 300 feet either side of the center line of a proposed access route will be made by BLM or a qualified biologist to detect the presence of plovers. Extreme care shall be exercised to locate plovers due to their highly secretive and quiet nature. Where possible, the survey shall first be made from a stationary vehicle. All plovers located will be observed long enough to determine if a nest is present. If no visual sightings are made from the vehicle, the area will be surveyed again on foot.

Starting Date of Construction or Drilling Activity	Number of Surveys
From March 15 through April 15	1
From April 16 through July 15	2
From July 16 through August 15	1

The surveys will be conducted no more than 14 days prior to the date actual construction or drilling activities begin. If two surveys are required, they will be made at least 14 days apart with the last survey no more than 14 days prior to the start-up date.

BURROWING OWL

If construction or drilling are to occur from April 1 through July 15 surveys for burrowing owl will be required. No new construction or surface disturbing activities will be allowed within a 0.5 mile radius of an active burrowing owl nest from April 1 through July 15.



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

1594 West North Temple, Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

August 26, 1997

Inland Production Company
P.O. Box 790233
Vernal, Utah 84079

Re: Monument Butte Federal 14-27 Well, 660' FSL, 1980' FWL,
SE SW, Sec. 27, T. 8 S., R. 16 E., Duchesne County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-31920.

Sincerely,

John R. Baza
Associate Director

lwp

Enclosures

cc: Duchesne County Assessor
Bureau of Land Management, Vernal District Office

Operator: Inland Production Company
Well Name & Number: Monument Butte Federal 14-27
API Number: 43-013-31920
Lease: U-73088
Location: SE SW Sec. 27 T. 8 S. R. 16 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jim Thompson at (801)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact John R. Baza (801)538-5334.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED

Budget Bureau No. 1004-0135

Expires: March 31, 1993

RECEIVED
APR 15 1998
DIV. OF OIL, GAS & MINING

DRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry a different reservoir.
This is an APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

INLAND PRODUCTION COMPANY

3. Address and Telephone No.

P.O. Box 790233 Vernal, UT 84079

(435) 789-1866

4. Location of Well (Footage, Sec., T., R., m., or Survey Description)

SE/SW 660' FSL & 1980' FWL

Sec. 27, T8S, R16E

5. Lease Designation and Serial No.

U-73088

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Mon Butte Federal 14-27

9. API Well No.

43-013-31920

10. Field and Pool, or Exploratory Area

Monument Butte

11. County or Parish, State

DUCHESNE COUNTY, UTAH

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other APD Extension

☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Inland Production Company requests that a one year extension to the APD be granted to the above referenced location. There has been no surface disturbance for this proposed drill site.

14. I hereby certify that the foregoing is true and correct

Signed

Cheryl Cameron
Cheryl Cameron

Title

Regulatory Compliance Specialist

Date

4/9/98

(This space for Federal or State office use)

Approved by

Bradley G. Hill

Title

BRADLEY G. HILL
RECLAMATION SPECIALIST III

Date

4/20/98

Conditions of approval, if any:

CC: UTAH DOGM

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

From: Margie Herrmann <mherrman@ut.blm.gov>
To: NRDOMAIN.NROGM(DS STALEY)
Date: 5/22/98 1:24pm
Subject: APD Status -Reply - Reply

OK - Here is what I found out.

>>> Don Staley <nrogm.dstaley@state.ut.us> 05/22 10:27 am >>>
Hi Margie,

Thanks for your help, but you're not off the hook yet! I'm still wondering about the status of the following three Inland wells. They submitted requests for extensions back in April. Did the BLM extend their approval?

43-013-31785	23-9S-15E	Ashley Fed 7-23 - EXTENDED to 4/21/99
43-013-31920	27-8S-16E	Mon Butte Fed 14-27- EXTENDED to 8/26/99
43-013-31890	33-8S-17E	Tar Sands Fed 15-33- EXTENDED to 8/14/99

ALSO, here are more that are about due to expire any time now:

Barrett	Ute Tribal 8-25	43-013-31835	25-5S-5W- - to 4/16/99
EXTENDED			
Barrett	Ute Tribal 7-21	43-013-31838	21-5S-4W- - to 5/20/99
EXTENDED			
Conoco	Federal 31-57	43-013-31838	21-5S-4W- - CAN'T
FIND THIS - SAME API AS 7-21			
Inland	Mon Fed 24-31-8-16	43-013-31780	31-8S-16E- LA'D eff. 7/2/98
RESCINDED/EXPIRED			
Inland	Ashley Fed 7-23	43-013-31785	23-9S-15E- X
SEE ABOVE			
Petroglyph	Ute Tribal 04-10	43-013-31728	to 10/28/98
4-5S-3W- EXTENDED			
Petroglyph	Ute Tribal 08-08	43-013-31877	8-5S-3W- to 5/5/99
EXTENDED			
Petroglyph	Ute Tribal 08-09	43-013-31878	8-5S-3W- to 5/5/99
EXTENDED			
Petroglyph	Ute Tribal 09-13	43-013-31880	9-5S-3W- to 5/5/99
EXTENDED			
Petroglyph	Ute Tribal 17-08	43-013-31881	17-5S-3W- to 5/5/99
EXTENDED			

Hope this helps - have a nice weekend!
Margie

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

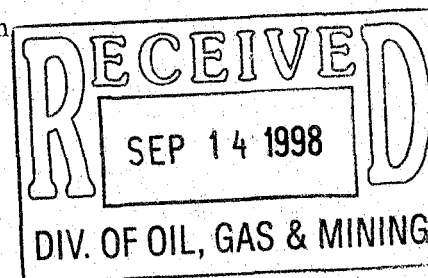
1. SUNDRY NOTICES AND REPORTS ON WELLS (Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT--" for such proposals.)		5. LEASE DESIGNATION AND SERIAL NO. U-62848	
2. NAME OF OPERATOR INLAND PRODUCTION COMPANY		6. IF INDIAN, ALLOTTEE OR TRIBAL NAME N/A	
3. ADDRESS OF OPERATOR 410 17TH STREET, SUITE 700, DENVER, COLORADO 80202 (303) 893-0102		7. UNIT AGREEMENT NAME TRAVIS	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface SE/SW 660 FSL 1980 FWL		8. FARM OR LEASE NAME MONUMENT BUTTE FED 14-27	
14. API NUMBER 43-013-31920		9. WELL NO. 14-27	
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5591.1 GR		10. FIELD AND POOL, OR WILDCAT MONUMENT BUTTE	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SE/SW Section 27, T08S R16E	
		12. COUNTY OR PARISH DUCHESNE	13. STATE UT

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>		(OTHER) <u>Change in Lease Number</u>	<input checked="" type="checkbox"/>
(OTHER) _____		(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Due to unitization, the lease number for the above referenced well has been changed from U-73088 to U-62848.



18. I hereby certify that the foregoing is true and correct			
SIGNED <u>Lebbie E. Knight</u>	TITLE <u>Manager, Regulatory Compliance</u>	DATE <u>9/11/98</u>	
(This space for Federal or State office use)			
APPROVED BY _____	TITLE _____	DATE _____	
CONDITIONS OF APPROVAL, IF ANY:			



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office
170 South 500 East
Vernal, Utah 84078-2799
<http://www.blm.gov/utah/vernal>

Phone: (435) 781-4400
Fax: (435) 781-4410

IN REPLY REFER TO:

3160
UT08300

October 18, 1999

Inland Production Company
Route 3 Box 3630
Myton UT 84052

Re: Notification of Expiration
Well No. Monument Butte Fed. 14-27
SESW, Section 27, T8S, R16E
Lease No. U-62848
Duchesne County, Utah

Gentlemen:

43-013-31920

The Application for Permit to Drill the above-referenced well was approved on August 26, 1997. Inland Production Company requested an extension of the original APD approval for an additional year. The request was reviewed and the extension approved until August 26, 1999. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Margie Herrmann
Legal Instruments Examiner

cc: State Div. OG&M

DOG-m
'LA'
DATE

